

KING COUNTY, WASHINGTON

STATEMENT OF NET ASSETS
DECEMBER 31, 2002

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Harborview Medical Center	WSMLB Stadium Public Facilities District
ASSETS					
Cash and cash equivalents (Note 1)	\$ 576,688,790	\$ 124,430,238	\$ 701,119,028	\$ 58,241,921	\$ 18,538,712
Investments (Note 4)	111,371	-	111,371	-	-
Receivables, net	165,837,886	71,125,550	236,963,436	102,003,593	46,168
Internal balances	(281,724)	281,724	-	-	-
Inventories	4,560,228	16,910,279	21,470,507	7,130,601	-
Prepayments	4,235,365	7,740	4,243,105	152,944	-
Restricted assets:					
Operations					
Cash and cash equivalents	-	29,826,841	29,826,841	86,886,713	-
Construction					
Cash and cash equivalents	-	414,923,041	414,923,041	-	-
Receivables, net	-	2,475,835	2,475,835	-	-
Other restricted assets - construction	-	35,394,873	35,394,873	-	-
Bond					
Cash and cash equivalents	-	131,303,727	131,303,727	-	-
Other restricted assets - bond	-	33,926,405	33,926,405	-	-
Other restricted assets	-	150,000	150,000	-	-
Capital assets (Note 6)					
Land	507,872,470	204,543,367	712,415,837	1,585,972	38,498,454
Infrastructure	603,024,258	-	603,024,258	-	-
Buildings	485,311,072	712,520,692	1,197,831,764	177,430,543	488,841,352
Improvements other than buildings	1,189,149	1,392,901,950	1,394,091,099	1,269,137	7,504,671
Furniture, machinery and equipment	188,226,129	1,645,088,636	1,833,314,765	233,805,990	46,150
Accumulated depreciation	(249,030,380)	(1,657,612,540)	(1,906,642,920)	(182,467,892)	(42,912,151)
Work in progress	111,144,688	463,131,014	574,275,702	8,488,628	-
Deferred charges - other	1,868,658	16,711,026	18,579,684	56,656	-
Deposits with other governments	-	-	-	600,000	-
Prepaid rent	-	1,612,500	1,612,500	-	-
Total assets	<u>2,400,757,960</u>	<u>3,639,652,898</u>	<u>6,040,410,858</u>	<u>495,184,806</u>	<u>510,563,356</u>
LIABILITIES					
Accounts payable and other current liabilities	72,947,051	24,872,609	97,819,660	60,854,859	27,073
Accrued liabilities	33,095,303	21,291,447	54,386,750	18,678,685	-
Notes payable (Note 12)	85,627,937	93,300,000	178,927,937	-	-
Unearned revenues	46,691,516	12,643,303	59,334,819	709,055	-
Obligations - reverse repurchase agreements (Note 4)	9,300,027	1,875,240	11,175,267	-	283,194
Liabilities payable from restricted assets	-	203,455,703	203,455,703	-	-
Noncurrent liabilities (Note 12):					
Due within one year	128,513,244	8,990,364	137,503,608	2,814,051	-
Due in more than one year	990,668,903	1,605,562,597	2,596,231,500	15,754,839	40,215,654
Total liabilities	<u>1,366,843,981</u>	<u>1,971,991,263</u>	<u>3,338,835,244</u>	<u>98,811,489</u>	<u>40,525,921</u>
NET ASSETS					
Invested in capital assets, net of related debt	1,148,028,821	1,124,461,623	2,272,490,444	221,543,488	451,762,822
Restricted for:					
Capital projects	152,255,560	-	152,255,560	-	-
Debt service	44,397,297	-	44,397,297	-	-
General government	4,486,924	-	4,486,924	-	-
Law, safety & justice	44,189,005	-	44,189,005	-	-
Physical environment	13,427,283	-	13,427,283	-	-
Economic environment	4,275,747	-	4,275,747	-	-
Mental & physical health	22,467,684	-	22,467,684	-	-
Culture & recreation	9,897,077	-	9,897,077	-	-
Other purposes - primary government (Note 14)	-	407,708,806	407,708,806	-	-
Expendable	-	-	-	46,080,355	-
Nonexpendable	-	-	-	445,416	-
Unrestricted	(409,511,419)	135,491,206	(274,020,213)	128,304,058	18,274,613
Total net assets	<u>\$1,033,913,979</u>	<u>\$1,667,661,635</u>	<u>\$2,701,575,614</u>	<u>\$ 396,373,317</u>	<u>\$ 470,037,435</u>

The notes to the financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2002

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Component Units	
						Governmental Activities	Business-type Activities		Harborview Medical Center	WSMLB Stadium Public Facilities District
Primary government:										
Governmental activities:										
General government	\$ 97,834,276	\$ (54,512,457)	\$ 53,680,625	\$ 5,276,716	\$ 366,881	\$ 16,002,403	\$	\$ 16,002,403	\$	\$
Law, safety & justice	432,134,519	30,699,036	42,136,618	84,571,785	-	(336,125,152)		(336,125,152)		
Physical environment	50,641,393	914,400	38,360,627	2,083,004	2,229,112	(8,883,050)		(8,883,050)		
Transportation	61,653,417	1,719,386	10,006,467	28,495,609	79,820,104	54,949,377		54,949,377		
Economic environment	71,614,322	1,720,077	25,643,841	28,545,895	-	(19,144,663)		(19,144,663)		
Mental & physical health	312,395,177	4,235,314	50,451,673	234,672,830	-	(31,505,988)		(31,505,988)		
Culture & recreation	32,812,179	922,237	6,630,142	144,374	678,660	(26,281,240)		(26,281,240)		
Interest and other debt service costs	53,116,492	-	3,432,231	3,977,368	-	(45,706,893)		(45,706,893)		
Total governmental activities	<u>1,112,201,775</u>	<u>(14,302,007)</u>	<u>230,342,224</u>	<u>387,767,581</u>	<u>83,094,757</u>	<u>(396,695,206)</u>		<u>(396,695,206)</u>		
Business-type activities:										
Airport	11,544,427	263,992	8,820,981	-	1,229,646		(1,757,792)	(1,757,792)		
Public Transportation	436,343,987	9,916,143	107,621,532	31,093,060	36,440,725		(271,104,813)	(271,104,813)		
Solid Waste	77,415,022	1,869,217	81,980,904	-	500,374		3,197,039	3,197,039		
Water Quality	234,258,070	2,215,894	216,514,721	-	13,914,612		(6,044,631)	(6,044,631)		
Other	5,340,317	36,761	5,543,747	197,400	-		364,069	364,069		
Total business-type activities	<u>764,901,823</u>	<u>14,302,007</u>	<u>420,481,885</u>	<u>31,290,460</u>	<u>52,085,357</u>	<u>-0-</u>	<u>(275,346,128)</u>	<u>(275,346,128)</u>		
Total primary government	<u>\$ 1,877,103,598</u>	<u>\$ -0-</u>	<u>\$ 650,824,109</u>	<u>\$ 419,058,041</u>	<u>\$ 135,180,114</u>	<u>(396,695,206)</u>	<u>(275,346,128)</u>	<u>(672,041,334)</u>		
Component units:										
Harborview Medical Center	\$ 440,795,034	\$ -	\$ 435,836,772	\$ 7,866,369	\$ 4,562,373				7,470,480	-
WSMLB stadium	25,407,978	-	741,895	12,323,405	-				-	(12,342,678)
Total component units	<u>\$ 466,203,012</u>	<u>\$ -0-</u>	<u>\$ 436,578,667</u>	<u>\$ 20,189,774</u>	<u>\$ 4,562,373</u>				<u>7,470,480</u>	<u>(12,342,678)</u>
General revenues										
Property taxes						390,706,029	-	390,706,029	-	-
Retail sales and use taxes						120,939,731	297,330,185	418,269,916	-	-
Business and other taxes						34,650,889	-	34,650,889	-	-
Penalties and interest - delinquent taxes						15,193,853	-	15,193,853	-	-
Unrestricted Interest earnings						30,111,798	26,277,718	56,389,516	7,201,224	612,676
Loss on sale of capital assets						(12,513,030)	(4,089,977)	(16,603,007)	-	-
Transfers						(861,781)	861,781	-	-	-
Total general revenues, capital contributions and transfers						<u>578,227,489</u>	<u>320,379,707</u>	<u>898,607,196</u>	<u>7,201,224</u>	<u>612,676</u>
Change in net assets						181,532,283	45,033,579	226,565,862	14,671,704	(11,730,002)
Net assets - January 1, 2002						<u>852,381,696</u>	<u>1,622,628,056</u>	<u>2,475,009,752</u>	<u>381,701,613</u>	<u>481,767,437</u>
Net assets - December 31, 2002						<u>\$ 1,033,913,979</u>	<u>\$ 1,667,661,635</u>	<u>\$ 2,701,575,614</u>	<u>\$ 396,373,317</u>	<u>\$ 470,037,435</u>

The notes to the financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2002

	GENERAL FUND	PUBLIC HEALTH FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and cash equivalents	\$ 63,102,094	\$ 14,347,535	\$ 361,971,464	\$ 439,421,093
Taxes receivable - delinquent	6,693,305	-	6,086,491	12,779,796
Accounts receivable, net	6,927,401	937,106	19,994,466	27,858,973
Other receivables, net	-	-	725,576	725,576
Interest receivable	12,157,646	-	-	12,157,646
Notes/contracts receivable	-	-	9,073,260	9,073,260
Due from other funds	4,420,473	433,444	37,095,180	41,949,097
Interfund short-term loans receivable	19,505,850	-	123,184	19,629,034
Due from other governments, net	23,350,519	18,772,196	49,750,324	91,873,039
Inventory of supplies	-	3,172,068	-	3,172,068
Prepayments	-	-	96,388	96,388
Advances to other funds	300,000	-	-	300,000
TOTAL ASSETS	\$ 136,457,288	\$ 37,662,349	\$ 484,916,333	\$ 659,035,970
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 11,800,544	\$ 7,670,814	\$ 20,875,597	\$ 40,346,955
Due to other funds	3,122,606	938,265	34,738,154	38,799,025
Interfund short-term loans payable	-	-	9,478,755	9,478,755
Due to other governments	3,086,361	6,005,848	3,105,835	12,198,044
Wages payable	11,386,080	3,505,433	5,438,795	20,330,308
Taxes payable	131,278	32	28,029	159,339
Deferred revenues	10,796,636	3,106,264	48,445,831	62,348,731
Obligations under reverse repurchase agreements	3,701,878	-	4,265,458	7,967,336
Notes/contracts payable	-	-	85,751,173	85,751,173
Custodial accounts	1,302,358	6,154,632	6,874,548	14,331,538
Other liabilities	-	-	56,178	56,178
Advances from other funds	-	-	1,078,340	1,078,340
Total liabilities	45,327,741	27,381,288	220,136,693	292,845,722
Fund balances				
Reserved ^(a)	9,282,185	4,816,821	132,648,007	146,747,013
Unreserved				
Designated ^(a)	21,600,922	496,476	18,697,167	40,794,565
Undesignated, reported in				
General fund	60,246,440			60,246,440
Special revenue funds		4,967,764	55,531,069	60,498,833
Debt service funds			26,914,872	26,914,872
Capital projects funds			30,988,525	30,988,525
Total fund balances	91,129,547	10,281,061	264,779,640	366,190,248
TOTAL LIABILITIES AND FUND BALANCES	\$ 136,457,288	\$ 37,662,349	\$ 484,916,333	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	1,619,044,303
Other Long-term assets are not available to pay for current-period expenditures and are deferred in the funds.	15,375,527
Governmental Activities Internal Service Funds assets and liabilities included in the governmental activities in the statement of net assets.	77,127,630
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(1,043,823,729) ^(b)
Net assets of governmental activities	\$ 1,033,913,979

(a) See Note 14, "Restrictions, Reserves, Designations, and Changes in Equity" – Reserves and Designations.

(b) See Note 2, "Reconciliation of Government-wide and Fund Financial Statements."

The notes to the financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	GENERAL FUND	PUBLIC HEALTH FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Taxes:				
Property taxes	\$ 215,775,443	\$ -	\$ 174,479,209	\$ 390,254,652
Retail sales and use taxes	68,873,095	-	52,066,636	120,939,731
Business and other taxes	6,993,715	-	27,657,174	34,650,889
Penalties and interest - delinquent taxes	15,193,853	-	-	15,193,853
Licenses and permits	5,535,185	6,986,599	4,799,870	17,321,654
Intergovernmental revenues	69,070,805	118,566,613	218,920,993	406,558,411
Charges for services	86,302,069	30,937,908	80,345,549	197,585,526
Fines and forfeits	7,570,700	-	445,279	8,015,979
Interest earnings	13,391,319	-	11,859,854	25,251,173
Miscellaneous revenues	4,584,908	4,140,562	34,237,431	42,962,901
Total revenues	<u>493,291,092</u>	<u>160,631,682</u>	<u>604,811,995</u>	<u>1,258,734,769</u>
EXPENDITURES				
Current:				
General government	71,845,697	-	26,473,239	98,318,936
Law, safety and justice	337,880,970	-	82,471,294	420,352,264
Physical environment	3,247,314	-	47,988,640	51,235,954
Transportation	-	-	61,534,814	61,534,814
Economic environment	10,644,016	-	61,540,819	72,184,835
Mental and physical health	-	171,369,910	141,748,680	313,118,590
Culture and recreation	24,753,233	-	5,588,026	30,341,259
Debt Service				
Principal	-	100,481	57,799,939	57,900,420
Interest and other debt service costs	-	8,903	53,744,817	53,753,720
Payment to escrow agent	-	-	7,998,051	7,998,051
Capital outlay	2,903,782	1,084,592	106,487,629	110,476,003
Total expenditures	<u>451,275,012</u>	<u>172,563,886</u>	<u>653,375,948</u>	<u>1,277,214,846</u>
Excess (deficiency) of revenues over (under) expenditures	<u>42,016,080</u>	<u>(11,932,204)</u>	<u>(48,563,953)</u>	<u>(18,480,077)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,155,222	16,187,447	99,220,479	117,563,148
Transfers out	(36,153,071)	(13,177)	(78,717,481)	(114,883,729)
General obligation bonds issued	-	-	40,282,296	40,282,296
Refunding bonds issued	-	-	133,510,113	133,510,113
General long-term debt - capital leases	-	145,336	-	145,336
Sale of capital assets	146,640	-	1,641,857	1,788,497
Payment to refunded bond escrow agent	-	-	(132,797,821)	(132,797,821)
Total other financing sources and uses	<u>(33,851,209)</u>	<u>16,319,606</u>	<u>63,139,443</u>	<u>45,607,840</u>
Net changes in fund balances	8,164,871	4,387,402	14,575,490	27,127,763
Fund balances — January 1, 2002 (Restated) ^(a)	83,043,707	5,893,659	250,204,150	339,141,516
Decrease in reserve for inventory	(79,031)	-	-	(79,031)
Fund balances — December 31, 2002	<u>\$ 91,129,547</u>	<u>\$ 10,281,061</u>	<u>\$ 264,779,640</u>	<u>\$ 366,190,248</u>

(a) See Note 14, "Restrictions, Reserves, Designations, and Changes in Equity" - Restatements of Beginning Balances.

The notes to the financial statements are an integral part of this statement.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES ^(a)
FOR THE YEAR ENDED DECEMBER 31, 2002

Amounts reported for governmental activities in the statement of activities
are different because:

Net change in fund balances - total governmental funds	\$ 27,127,763
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	77,926,810
The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, and donations) is to increase net assets.	47,461,682
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	1,202,670
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	25,725,492
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(5,897,887)
The net revenues and expenses of certain activities of internal service funds are reported with governmental activities.	7,985,753
Change in net assets of governmental activities	<u>\$ 181,532,283</u>

(a) Also, see Note 2, "Reconciliation of Government-wide and Fund Financial Statements."

The notes to the financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES (BUDGETARY BASIS), AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2002

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Taxes:				
Property taxes	\$ 214,848,327	\$ 214,848,327	\$ 215,775,443	\$ 927,116
Retail sales and use taxes	69,171,674	69,171,674	68,873,095	(298,579)
Business and other taxes	6,864,000	6,864,000	6,993,715	129,715
Penalties and interest - delinquent taxes	13,500,000	13,500,000	15,193,853	1,693,853
Licenses and permits	5,694,121	5,694,121	5,535,185	(158,936)
Intergovernmental revenues	68,437,845	68,637,845	69,070,805	432,960
Charges for services	82,771,412	82,771,412	86,302,069	3,530,657
Fines and forfeits	7,524,713	7,524,713	7,570,700	45,987
Interest earnings	11,302,516	11,302,516	13,421,946	2,119,430
Miscellaneous revenues	6,686,804	6,717,822	4,531,030	(2,186,792)
Sale of capital assets	206,000	206,000	146,640	(59,360)
Transfers in	4,285,736	4,285,736	6,882,755	2,597,019
Total revenues	<u>491,293,148</u>	<u>491,524,166</u>	<u>500,297,236</u>	<u>8,773,070</u>
EXPENDITURES				
Current:				
General government services	85,019,595	83,323,976	73,600,106	9,723,870
Law, safety and justice	338,363,837	348,381,464	340,025,540	8,355,924
Physical environment	2,898,534	3,253,013	3,247,314	5,699
Economic environment	12,508,012	12,538,247	10,948,346	1,589,901
Culture and recreation	26,489,465	26,517,183	24,842,183	1,675,000
Debt service				
Principal	51,489	34,220	-	34,220
Interest and other debt service costs	5,831	3,395	-	3,395
Capital outlay	1,807,790	2,824,775	3,478,657	(653,882)
Transfers out	41,487,224	42,275,605	41,406,725	868,880
Total expenditures	<u>508,631,777</u>	<u>519,151,878</u>	<u>497,548,871</u>	<u>21,603,007</u>
Excess of revenues over expenditures (budgetary basis)	<u>\$ (17,338,629)</u>	<u>\$ (27,627,712)</u>	2,748,365	<u>\$ 30,376,077</u>
Adjustment from budgetary basis to GAAP basis			5,416,506 ^(a)	
Net change in fund balance			8,164,871	
Fund balance — January 1, 2002 (Restated)			83,043,707 ^(b)	
Decrease in reserve for inventory			(79,031)	
Fund balance — December 31, 2002			<u>\$ 91,129,547</u>	

(a) Elements of adjustment from budgetary basis to GAAP basis:

Adjustments to revenues	
Recognition of unrealized gains on investments, revenue on a GAAP basis	\$ (30,627)
Reclassification of donations from a fiduciary, revenue on a GAAP basis.	53,878
Budgeted intrafund transfers in, eliminated on a GAAP basis.	(5,795,880)
Nonbudgeted transfers in, not included in the budgetary basis statement	777,347
Transfer in budgeted as a negative Transfer out on a GAAP basis.	291,000
Adjustments to expenditures	
Encumbrances, not included in GAAP basis expenditures	4,867,134
Budgeted intrafund transfers out, eliminated on a GAAP basis.	5,795,880
Nonbudgeted transfers out, not included in the budgetary basis statement	(251,226)
Transfer in budgeted as a negative Transfer out on a GAAP basis.	(291,000)

Adjustment from budgetary basis to GAAP basis \$ 5,416,506

(b) See Note 14, "Restrictions, Reserves, Designations, and Changes in Equity" - Restatements of Beginning Balances.

The notes to the financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON

PUBLIC HEALTH FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2002

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Licenses and permits	\$ 7,039,984	\$ 7,039,984	\$ 6,986,599	\$ (53,385)
Intergovernmental revenues	121,784,966	121,784,966	118,566,613	(3,218,353)
Charges for services	33,217,785	33,217,785	30,937,908	(2,279,877)
Miscellaneous revenues	6,408,734	6,408,734	4,140,562	(2,268,172)
Transfers in	16,608,843	16,608,843	16,117,252	(491,591)
Total revenues	<u>185,060,312</u>	<u>185,060,312</u>	<u>176,748,934</u>	<u>(8,311,378)</u>
EXPENDITURES				
Current:				
Mental and physical health	182,971,586	184,043,417	172,239,697	11,803,720
Debt service				
Principal	12,875	12,875	100,481	(87,606)
Interest and other debt service costs	1,677	1,677	12,830	(11,153)
Capital outlay	1,470,919	1,470,919	995,812	475,107
Transfers out	340,748	340,748	13,177	327,571
Total expenditures	<u>184,797,805</u>	<u>185,869,636</u>	<u>173,361,997</u>	<u>12,507,639</u>
Excess of revenues over expenditures (budgetary basis)	<u>\$ 262,507</u>	<u>\$ (809,324)</u>	3,386,937	<u>\$ 4,196,261</u>
Adjustment from budgetary basis to GAAP basis			1,000,465 ^(a)	
Net change in fund balance			4,387,402	
Fund balance — January 1, 2002 (Restated) ^(b)			5,893,659	
Fund balance — December 31, 2002			<u>\$ 10,281,061</u>	
(a) Elements of adjustment from budgetary basis to GAAP basis:				
Adjustments to revenues				
Nonbudgeted proceeds from long-term debt - capital leases			\$ 145,336	
Nonbudgeted transfers in			70,195	
Adjustments to expenditures				
Nonbudgeted capital lease expenditure			(145,336)	
Encumbrances, not included in GAAP basis expenditures			930,270	
Adjustment from budgetary basis to GAAP basis			<u>\$ 1,000,465</u>	

(b) See Note 14, "Restrictions, Reserves, Designations, and Changes in Equity" - Restatements of Beginning Balances.

The notes to the financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31 2002
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES					GOVERNMENTAL ACTIVITIES
	PUBLIC TRANSPORTATION	WATER QUALITY	OTHER ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS-BUSINESS TYPE ACTIVITIES	TOTAL	INTERNAL SERVICE FUNDS -GOVERNMENTAL ACTIVITIES
ASSETS						
Current assets						
Cash and cash equivalents	\$ 30,941,566	\$ 30,453,117	\$ 59,265,771	\$ 3,769,784	\$ 124,430,238	\$ 137,267,696
Investments	-	-	-	-	-	111,371
Accounts receivable	12,403,763	13,812,114	5,211,646	-	31,427,523	1,714,879
Estimated uncollectible accounts receivable	(170,357)	(837,290)	(146,801)	-	(1,154,448)	(5,975)
Notes/contracts receivable	-	-	1,238,841	-	1,238,841	-
Due from other funds	-	-	798,187	93,904	892,091	2,754,319
Due from other governments	39,340,456	-	273,178	-	39,613,634	385,374
Inventory of supplies	11,936,159	4,232,433	740,169	1,518	16,910,279	1,388,160
Prepayments and other assets	-	-	7,740	-	7,740	4,139,017
Total current assets	<u>94,451,587</u>	<u>47,660,374</u>	<u>67,388,731</u>	<u>3,865,206</u>	<u>213,365,898</u>	<u>147,754,841</u>
Noncurrent assets						
Restricted assets						
Operating						
Cash and cash equivalents	-	29,826,841	-	-	29,826,841	-
Construction						
Cash and cash equivalents	249,291,929	54,492,722	111,138,390	-	414,923,041	-
Accounts receivable	36,427	730,429	29,295	-	796,151	-
Due from other governments	-	1,604,684	75,000	-	1,679,684	-
Due from other funds	-	-	57,919	-	57,919	-
Other assets-construction	35,394,873	-	-	-	35,394,873	-
Bond						
Cash and cash equivalents	8,569,008	122,541,239	193,480	-	131,303,727	-
Due from other funds	321,906	211,129	-	-	533,035	-
Other assets - bond	33,926,405	-	-	-	33,926,405	-
Other restricted assets	150,000	-	-	-	150,000	-
Total restricted assets	<u>327,690,548</u>	<u>209,407,044</u>	<u>111,494,084</u>	<u>-0-</u>	<u>648,591,676</u>	<u>-0-</u>
Capital assets						
Land	140,716,383	35,185,252	28,641,732	-	204,543,367	-
Buildings	238,689,517	433,933,718	39,897,457	-	712,520,692	-
Improvements other than buildings	495,797,183	781,069,081	116,035,686	-	1,392,901,950	1,189,149
Furniture, machinery and equipment	724,491,076	852,374,477	58,619,705	9,603,378	1,645,088,636	72,964,340
Accumulated depreciation	(756,795,751)	(776,059,971)	(117,005,520)	(7,751,298)	(1,657,612,540)	(48,357,473)
Work in progress	127,420,909	305,523,698	30,186,407	-	463,131,014	2,897,067
Total capital assets	<u>970,319,317</u>	<u>1,632,026,255</u>	<u>156,375,467</u>	<u>1,852,080</u>	<u>2,760,573,119</u>	<u>28,693,083</u>
Other noncurrent						
Advances to other funds	778,340	-	-	-	778,340	-
Deferred charges - environmental remediation	-	7,048,694	-	-	7,048,694	-
Deferred charges - other	1,524,066	8,138,266	-	-	9,662,332	-
Prepaid rent	1,612,500	-	-	-	1,612,500	-
Total other noncurrent	<u>3,914,906</u>	<u>15,186,960</u>	<u>-</u>	<u>-</u>	<u>19,101,866</u>	<u>-</u>
Total noncurrent assets	<u>1,301,924,771</u>	<u>1,856,620,259</u>	<u>267,869,551</u>	<u>1,852,080</u>	<u>3,428,266,661</u>	<u>28,693,083</u>
TOTAL ASSETS	<u>\$ 1,396,376,358</u>	<u>\$ 1,904,280,633</u>	<u>\$ 335,258,282</u>	<u>\$ 5,717,286</u>	<u>\$ 3,641,632,559</u>	<u>\$ 176,447,924</u>

The notes to financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31 2002
(PAGE 2 OF 2)

	BUSINESS-TYPE ACTIVITIES					GOVERNMENTAL ACTIVITIES
	PUBLIC TRANSPORTATION	WATER QUALITY	OTHER ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS-BUSINESS TYPE ACTIVITIES	TOTAL	INTERNAL SERVICE FUNDS -GOVERNMENTAL ACTIVITIES
LIABILITIES						
Current liabilities						
Accounts payable	\$ 11,800,497	\$ 9,751,466	\$ 3,174,680	\$ 9,133	\$ 24,735,776	\$ 5,571,176
Estimated claims settlement	2,000,000	865,893	-	-	2,865,893	63,956,133
Due to other funds	-	1,595,568	1,505,681	65,186	3,166,435	2,095,130
Interest payable	-	279,906	468,429	-	748,335	102,676
Wages payable	17,210,192	1,977,313	1,355,607	-	20,543,112	2,408,539
Deferred revenues	11,109,490	-	1,533,813	-	12,643,303	593,311
Obligations under reverse repurchase agreements	394,753	458,504	1,021,983	-	1,875,240	1,332,691
General obligation bonds payable	-	-	4,783,987	-	4,783,987	1,170,000
State revolving loan payable	-	1,340,484	-	-	1,340,484	-
Notes payable	-	93,300,000	-	-	93,300,000	-
Custodial accounts and other liabilities	-	-	136,833	-	136,833	28,667
Total current liabilities	42,514,932	109,569,134	13,981,013	74,319	166,139,398	77,258,323
Liabilities payable from restricted assets						
Accounts payable	5,177,247	20,146,539	1,851,105	-	27,174,891	-
Estimated claims settlement	-	6,662,042	-	-	6,662,042	-
Due to other funds	275,271	1,720,049	130,551	-	2,125,871	-
Interest payable	1,145,230	29,216,396	-	-	30,361,626	-
Wages payable	525,610	700,870	-	-	1,226,480	-
Arbitrage earnings payable	-	-	4,439	-	4,439	-
Obligations under reverse repurchase agreements	3,888,552	3,333,872	1,594,491	-	8,816,915	-
General obligation bonds payable	5,020,000	6,605,000	-	-	11,625,000	-
Capital leases payable	11,453,168	-	-	-	11,453,168	-
Revenue bonds payable	-	10,835,000	500	-	10,835,500	-
Landfill closure and post-closure care liability	-	-	95,295,642	-	95,295,642	-
Total liabilities payable from restricted assets	27,485,078	79,219,768	98,876,728	-0-	205,581,574	-0-
Long-term liabilities						
General obligation bonds payable	127,525,000	450,470,000	38,863,783	-	616,858,783	4,340,000
Revenue bonds payable	-	941,585,000	-	-	941,585,000	-
Deferred bond discount/refunding losses	(54,733)	(59,275,841)	(1,047,654)	-	(60,378,228)	-
Capital leases payable	23,430,312	-	-	-	23,430,312	-
State revolving loans payable	-	36,855,347	-	-	36,855,347	-
Compensated absences payable	33,550,720	8,576,247	3,202,409	-	45,329,376	7,902,162
Estimated claim settlements and other liabilities	1,250,000	-	632,007	-	1,882,007	6,507,163
Total long-term liabilities	185,701,299	1,378,210,753	41,650,545	-0-	1,605,562,597	18,749,325
TOTAL LIABILITIES	255,701,309	1,566,999,655	154,508,286	74,319	1,977,283,569	96,007,648
NET ASSETS						
Invested in capital assets, net of related debt	804,041,905	204,792,287	113,775,351	1,852,080	1,124,461,623	23,183,083
Restricted	310,199,848	74,145,082	23,363,876	-	407,708,806	-
Unrestricted	26,433,296	58,343,609	43,610,769	3,790,887	132,178,561	57,257,193
TOTAL NET ASSETS	\$ 1,140,675,049	\$ 337,280,978	\$ 180,749,996	\$ 5,642,967	1,664,348,990	\$ 80,440,276
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					3,312,645	
Net assets of business-type activities					<u>\$ 1,667,661,635</u>	

The notes to financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS ^(a)
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES					GOVERNMENTAL ACTIVITIES
	PUBLIC TRANSPORTATION	WATER QUALITY	OTHER ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS-BUSINESS TYPE ACTIVITIES	TOTAL	INTERNAL SERVICE FUNDS-GOVERNMENTAL ACTIVITIES
OPERATING REVENUES						
I-Net fees	\$ -	\$ -	\$ 774,471	\$ -	\$ 774,471	\$ -
Radio services	-	-	3,153,287	-	3,153,287	-
Solid waste disposal charges	-	-	79,144,174	-	79,144,174	-
Airfield fees	-	-	1,333,051	-	1,333,051	-
Hangar, building, and site rentals and leases	-	-	6,578,985	-	6,578,985	-
Reimbursement for services to tenants	-	-	893,277	-	893,277	-
Passenger	94,570,769	-	-	-	94,570,769	-
Special service contracts	2,762,183	-	-	-	2,762,183	-
Sewage disposal fees	-	192,123,662	-	-	192,123,662	-
Miscellaneous	10,288,580	21,099,526	16,569	-	31,404,675	-
Other service revenues	-	-	-	1,627,473	1,627,473	263,691,152
Total operating revenues	107,621,532	213,223,188	91,893,814	1,627,473	414,366,007	263,691,152
OPERATING EXPENSES						
Personal services	256,157,612	32,947,532	32,171,049	157,704	321,433,897	55,995,048
Materials and supplies	26,091,236	2,423,680	4,629,867	155,390	33,300,173	7,410,586
Contract services and other charges	13,690,713	9,214,936	15,582,782	35,299	38,523,730	169,513,847
Utilities	4,759,338	10,075,605	920,487	-	15,755,430	-
Purchased transportation	34,459,980	-	-	-	34,459,980	-
Internal services	38,248,454	24,977,845	11,566,612	147,420	74,940,331	16,187,599
Landfill closure and post-closure care	-	-	9,395,174	-	9,395,174	-
Depreciation	69,691,940	88,381,506	12,928,054	360,386	171,361,886	7,652,711
Total operating expenses	443,099,273	168,021,104	87,194,025	856,199	699,170,601	256,759,791
OPERATING INCOME (LOSS)	(335,477,741)	45,202,084	4,699,789	771,274	(284,804,594)	6,931,361

The notes to financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS ^(a)
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 2 OF 2)

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	PUBLIC TRANSPORTATION	WATER QUALITY	OTHER ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS-BUSINESS TYPE ACTIVITIES	INTERNAL SERVICE FUNDS-GOVERNMENTAL ACTIVITIES
NONOPERATING REVENUES					
Sales tax	\$ 297,330,185	\$ -	\$ -	\$ -	\$ -
Intergovernmental	31,093,060	-	197,400	-	-
Interest earnings	12,646,406	7,385,863	5,943,799	301,650	4,860,625
DNR administration	-	-	2,739,782	-	-
Rental income	-	-	96,047	-	-
Miscellaneous	-	3,291,533	1,295	(12,779)	(8,646)
Total nonoperating revenues	<u>341,069,651</u>	<u>10,677,396</u>	<u>8,978,323</u>	<u>288,871</u>	<u>4,851,979</u>
NONOPERATING EXPENSES					
Interest	5,180,676	68,836,459	3,220,232	-	264,310
DNR administration	-	-	4,562,544	-	-
Loss on disposal of capital assets	3,410,234	383,409	296,334	-	-
Miscellaneous	-	804,949	741,014	-	-
Total nonoperating expenses	<u>8,590,910</u>	<u>70,024,817</u>	<u>8,820,124</u>	<u>-0-</u>	<u>264,310</u>
Income (loss) before contributions and transfers	(2,999,000)	(14,145,337)	4,857,988	1,060,145	11,519,030
Capital contributions	39,782,398	13,914,612	4,031,354	320,856	317,873
Transfers in	5,055,630	-	251,226	-	1,407,113
Transfers out	(530,254)	(764,865)	(716,516)	(8,397,303)	(2,681,902)
CHANGE IN NET ASSETS	<u>41,308,774</u>	<u>(995,590)</u>	<u>8,424,052</u>	<u>(7,016,302)</u>	<u>10,562,114</u>
NET ASSETS - JANUARY 1, 2002 - (RESTATED)	<u>1,099,366,275</u>	<u>338,276,568</u>	<u>172,325,944</u> ^(a)	<u>12,659,269</u>	<u>69,878,162</u>
NET ASSETS - DECEMBER 31, 2002	<u>\$ 1,140,675,049</u>	<u>\$ 337,280,978</u>	<u>\$ 180,749,996</u>	<u>\$ 5,642,967</u>	<u>\$ 80,440,276</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				3,312,645	
Net assets of business-type activities				<u>\$ 1,667,661,635</u>	

(a) See Note 14, "Restrictions, Reserves, Designations, and Changes in Equity" - Restatements of Beginning Balances.

The notes to financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES	
	PUBLIC TRANSPORTATION	WATER QUALITY	OTHER ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS-BUSINESS TYPE ACTIVITIES	TOTAL	INTERNAL SERVICE FUNDS-GOVERNMENTAL ACTIVITIES
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 112,637,025	\$ 213,649,253	\$ 95,848,562	\$ 1,658,024	\$ 423,792,864	\$ 269,847,575
Cash payments to suppliers for goods and services	(113,218,812)	(41,086,196)	(33,587,193)	(555,055)	(188,447,256)	(203,105,756)
Cash payments for employee services	(250,359,850)	(31,932,216)	(31,774,028)	(263,468)	(314,329,562)	(55,254,223)
Other receipts	-	-	2,837,124	9,799	2,846,923	215,697
Other payments	-	-	(4,782,045)	-	(4,782,045)	-
Net cash provided (used) by operating activities	(250,941,637)	140,630,841	28,542,420	849,300	(80,919,076)	11,703,293
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating grants and subsidies received	327,439,113	-	697,774	-	328,136,887	-
Advances from other funds	128,003	-	-	-	128,003	-
Interest paid on short-term loans	-	(14,266)	(1,663)	-	(15,929)	(1,854)
Operating transfers in	-	-	251,226	-	251,226	1,407,113
Operating transfers out	(530,254)	(764,865)	(1,241,720)	(5,098,160)	(7,634,999)	(2,646,979)
Net cash provided (used) by noncapital financing activities	327,036,862	(779,131)	(294,383)	(5,098,160)	320,865,188	(1,241,720)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(112,504,394)	(156,601,534)	(24,622,817)	(896,416)	(294,625,161)	(5,193,847)
Principal paid on general obligation bonds	(3,015,000)	(8,635,000)	(4,904,732)	-	(16,554,732)	(1,115,000)
Proceeds paid on general obligation bonds by refunding	(69,235,000)	-	-	-	(69,235,000)	-
Proceeds from general obligation bonds	64,285,000	-	-	-	64,285,000	-
Interest paid on general obligation bonds	(1,908,782)	(24,488,919)	(2,015,462)	-	(28,413,163)	(308,365)
Assessment principal and interest paid	-	-	147	-	147	(14,898)
Proceeds from revenue bonds	-	446,130,000	-	-	446,130,000	-
Proceeds paid on revenue bonds by refunding	-	(360,490,000)	-	-	(360,490,000)	-
Principal paid on revenue bonds	-	(23,775,000)	-	-	(23,775,000)	-
Interest paid on revenue bonds	-	(37,627,682)	-	-	(37,627,682)	-
Principal paid on equipment contracts	(8,288,312)	-	-	-	(8,288,312)	(122,564)
Interest paid on equipment contracts	(2,270,141)	-	-	-	(2,270,141)	(1,072)
Assessment principal, interest, and penalties received	398,975	-	-	-	398,975	-
Principal paid on notes payable	-	9,800,000	-	-	9,800,000	-
Interest paid on notes payable	-	(1,501,236)	-	-	(1,501,236)	-
Issuance costs paid on bonds and notes payable	666,108	461,725	-	-	1,127,833	-
Principal paid on state loans	-	(45,035,545)	-	-	(45,035,545)	-
Interest paid on state loans	-	(1,308,274)	-	-	(1,308,274)	-
Proceeds from new state loan	-	24,457,000	-	-	24,457,000	-
Arbitrage activities and bond refunding	-	(46,922)	-	-	(46,922)	-
Capital grants received	26,872,216	14,289,307	3,871,623	-	45,033,146	-
Landfill closure and remediation	-	(557,538)	(4,617,387)	-	(5,174,925)	-
Proceeds from disposal of capital assets	1,152,906	-	4,321	12,280	1,169,507	594,995
Net cash provided (used) by capital and related financing activities	(103,846,424)	(164,929,618)	(32,284,307)	(884,136)	(301,944,485)	(6,160,751)

The notes to financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 2 OF 2)

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES	
	PUBLIC TRANSPORTATION	WATER QUALITY	OTHER ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS-BUSINESS TYPE ACTIVITIES	TOTAL	INTERNAL SERVICE FUNDS-GOVERNMENTAL ACTIVITIES
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investment securities	\$ -	\$ (15,393,057,500)	\$ -	\$ -	\$ (15,393,057,500)	\$ -
Proceeds from sale of investment securities	-	15,428,073,777	-	-	15,428,073,777	-
Increase in pooled reverse repurchase agreements	-	3,135,408	-	-	3,135,408	-
(Decrease) in pooled reverse repurchase agreements	(1,931,661)	-	(1,218,459)	-	(3,150,120)	(398,611)
Interest on investments (including unrealized gains/losses reported as Cash and cash equivalents)	-	-	-	-	-	4,860,890
Loan collections	10,152,300	7,535,531	5,981,630	301,650	23,971,111	-
	-	-	356,910	-	356,910	-
Net cash provided by investing activities	8,220,639	45,687,216	5,120,081	301,650	59,329,586	4,462,279
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,530,560)	20,609,308	1,083,811	(4,831,346)	(2,668,787)	8,763,101
CASH AND CASH EQUIVALENTS – JANUARY 1, 2002	308,333,063	216,704,611	169,513,830	8,601,130	703,152,634	128,504,595
CASH AND CASH EQUIVALENTS – DECEMBER 31, 2002	\$ 288,802,503	\$ 237,313,919	\$ 170,597,641	\$ 3,769,784	\$ 700,483,847	\$ 137,267,696
RECONCILIATION OF OPERATING INCOME TO						
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	\$ (335,477,741)	\$ 45,202,084	\$ 4,699,789	\$ 771,274	\$ (284,804,594)	\$ 6,931,361
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Depreciation	69,691,940	88,381,506	12,928,054	360,386	171,361,886	7,652,711
Landfill closure and post-closure care	-	-	9,395,174	-	9,395,174	-
Other nonoperating revenue/expense	-	-	(1,901,329)	-	(1,901,329)	-
Changes in assets - (increase) decrease						
Accounts receivable, net	3,486,539	599,986	1,502,921	-	5,589,446	(135,770)
Notes/contracts receivable	-	-	86,990	-	86,990	-
Due from other funds	1,560,160	-	350,019	(71,954)	1,838,225	2,083,550
Due from other governments	-	(173,921)	298,734	553	125,366	97,349
Inventory of supplies	615,147	(66,419)	(77,599)	109,423	580,552	156,374
Prepayments	150,000	-	(7,740)	-	142,260	(1,913,197)
Changes in liabilities - increase (decrease)						
Accounts payable	4,783,742	8,826,807	396,406	(123,839)	13,883,116	(4,401,377)
Due to other funds	(3,078,141)	(3,154,518)	(1,205,042)	(90,779)	(7,528,480)	(412,787)
Wages payable	1,369,395	227,743	15,736	(30,045)	1,582,829	(75,789)
Taxes payable	-	-	(11,555)	-	(11,555)	(2,643)
Deferred revenues	1,528,954	-	1,533,798	-	3,062,752	53,724
Estimated claims settlements	1,392,727	-	-	-	1,392,727	891,911
Compensated absences	3,035,641	787,573	337,438	(75,719)	4,084,933	816,614
Customer deposits and other liabilities	-	-	200,626	-	200,626	(38,738)
Total adjustments	84,536,104	95,428,757	23,842,631	78,026	203,885,518	4,771,932
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (250,941,637)	\$ 140,630,841	\$ 28,542,420	\$ 849,300	\$ (80,919,076)	\$ 11,703,293
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:						
Contributions of capital assets from government	\$ 3,341,673	\$ -	\$ 2,301,334	\$ 320,856	\$ 5,963,863	\$ 317,873

The notes to financial statements are an integral part of this statement.

KING COUNTY, WASHINGTON

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2002

	INVESTMENT TRUST FUNDS	AGENCY FUNDS
ASSETS		
Cash and cash equivalents	\$ -	\$ 148,327,824
Assets held in trust - external investment pool	-	1,795,436,256
Investments	1,840,099,713	8,969,764
Assets held in trust - individual investment accounts	-	50,141,114
Taxes receivable - delinquent	-	61,474,772
Accounts receivable	-	2,719,409
Interest receivable	15,627,935	-
Assessments receivable	-	9,554,213
Notes/contracts receivable	-	62,601
Interfund short-term loans receivable	-	208,388
TOTAL ASSETS	<u>1,855,727,648</u>	<u>\$ 2,076,894,341</u>
LIABILITIES		
Warrants payable	-	\$ 69,126,982
Accounts payable	-	8,605,675
Obligations under reverse repurchase agreements	27,950,053	524,094
Liability allocated from external investment pool	-	27,950,053
Interfund short-term loans payable	10,150,279	208,388
Wages payable	-	835,785
Custodial accounts - County agencies	-	65,430,681
Due to special districts/other governments	-	1,904,212,683
TOTAL LIABILITIES	<u>38,100,332</u>	<u>\$ 2,076,894,341</u>
NET ASSETS		
Held in trust for pool / individual investment account participants	<u>\$ 1,817,627,316</u>	

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	INVESTMENT TRUST FUNDS
ADDITIONS	
Contributions	\$ 10,963,592,595
Interest	75,846,591
TOTAL ADDITIONS	<u>11,039,439,186</u>
DEDUCTIONS	
Distributions	<u>11,617,984,990</u>
Change in net assets	(578,545,804)
Net assets - January 1, 2002	<u>2,396,173,120</u>
Net assets - December 31, 2002	<u><u>\$ 1,817,627,316</u></u>

The notes to the financial statements are an integral part of this statement.